

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933

Release No. 9385/February 15, 2013

SECURITIES EXCHANGE ACT OF 1934

Release No. 68943/February 15, 2013

ADMINISTRATIVE PROCEEDING

File No. 3-15211



In the Matter of

GREGG C. LORENZO, FRANCIS V.
LORENZO, and CHARLES VISTA, LLC,

Respondents.

Administrative Proceeding File No. 3-15211

ANSWER OF CHARLES VISTA, LLC

Respondent Charles Vista, LLC ("Charles Vista" or "Respondent"), by and through his counsel Gusrae Kaplan Nusbaum, PLLC, for his Answer to the Complaint herein (the "Complaint"), states as follows:

I.

Respondent does not respond to these allegations as they purport to state a legal conclusion.

II.

1. Respondent denies the allegations contained in paragraph 1 of the Complaint except, does not respond to allegations which purport to state a legal conclusion.

2. Respondent lacks information sufficient to form a belief as to the truth of the allegations contained in paragraph 2 of the Complaint.

3. Respondent lacks information sufficient to form a belief as to the truth of the allegations

contained in paragraph 3 of the Complaint.

4. Respondent denies the allegations contained in paragraph 4 of the Complaint.

A. RESPONDENTS

Gregg Lorenzo

5. Upon information and belief, Respondent admits allegations contained in paragraph 5 of the Complaint, except denies that Gregg C. Lorenzo ("GL") is the president of Charles Vista or that he currently maintains the Series 24 license.

6. Upon information and belief, Respondent admits that GL joined Mercer in or around September 2005, respectively refers the Administrative Law Judge to the settlement with the State of Montana for complete and accurate recital of its contents and lacks knowledge or information concerning any finding by the NASD in February 2007.

7. Upon information and belief, Respondent admits that GL left Mercer and joined John Thomas Financial in January 2008 and respectively refers the Administrative Law Judge to the consent order entered into the Iowa Securities and Regulated Industries Bureau.

8. Respondent admits that in or around February 2009, through an entity owned by GL, GL purchased DC Evans, a registered broker-dealer, and later renamed it Charles Vista. Respondent admits that Charles Vista currently operates as a broker-dealer in Staten Island, N.Y. Respondent denies the remaining allegations contained in paragraph 8 of the Complaint.

9. Respondent respectfully refers the Administrative Law Judge to a copy of the Agreement and Order for a true and accurate recital of its contents.

10. Respondent admits the allegations contained in paragraph 10 of the Complaint.

Frank Lorenzo ("FL")

11. Upon information and belief, Respondent admits only that GL worked with, and that FL

acted as investment banker at, Mercer, John Thomas and Charles Vista. Respondent lacks knowledge or information sufficient to form a belief as to the remaining allegations contained in paragraph 11 of the Complaint.

Charles Vista

12. Respondent admits only that FL was the head of investment banking from the opening of Charles Vista until FL's departure in January 2010. Respondent does not respond to the allegations contained in paragraph 12 that purport to state a legal conclusion.

B. OTHER RELEVANT ENTITIES

13. Respondent respectfully refers the Administrative Law Judge to the W2E SEC filings for a complete and accurate recital of their contents.

C. W2E'S OPERATIONS AND FINANCIAL CONDITION

14. Respondent respectfully refers the Administrative Law Judge to the W2E SEC filings for a complete and accurate recital of their contents.

15. Respondent respectfully refers the Administrative Law Judge to the W2E SEC filings for a complete and accurate recital of their contents.

16. Respondent respectfully refers the Administrative Law Judge to the W2E SEC filings for a complete and accurate recital of their contents.

17. Respondent respectfully refers the Administrative Law Judge to the W2E SEC filings for a complete and accurate recital of their contents.

18. Respondent respectfully refers the Administrative Law Judge to the W2E SEC filings for a complete and accurate recital of their contents.

19. Respondent respectfully refers the Administrative Law Judge to the W2E SEC filings for a complete and accurate recital of their contents.

20. Respondent respectfully refers the Administrative Law Judge to the W2E SEC filings for a complete and accurate recital of their contents.

D. W2E'S \$15 MILLION DEBENTURE OFFERING

21. Respondent admits that from in or about September 2009 through May 2010 it acted as placement agent for the issuance of certain 12% W2E debentures and respectfully refers the Administrative Law Judge to a copy of such offering documents for a complete and accurate recital of their contents. Respondent does not respond to allegations contained in paragraph 21 that purport to state a legal conclusion.

22. Respondent refers the Administrative Law Judge to W2E SEC filings for a complete and accurate recital of their contents. Respondent lacks knowledge and information as to the remaining allegations contained in paragraph 22 of the Complaint.

23. Respondent admits the allegations contained in paragraph 23 of the Complaint.

24. Respondent admits the allegations contained in paragraph 24 of the Complaint.

E. GREGG LORENZO'S FALSE STATEMENTS TO INVESTORS¹

25. Respondent admits that GL attempted to sell the Debentures to numerous potential investors but denies knowledge or information as to the truth of the remaining allegations in paragraph 25 of the Complaint.

INVESTOR A

26. Respondent lacks knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 26 and its subsections (a)-(f) of the Complaint.

27. Respondent lacks knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 27 and its subsections (a)-(f) of the Complaint.

¹ Respondent denies any allegations and inferences contained in any caption or heading in the Complaint. Respondent does not respond to allegations contained in the caption or headings in the Complaint which purport to state a legal conclusion.

28. Respondent lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 28 of the Complaint.

INVESTOR B

29. Respondent lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 29 of the Complaint.

30. Respondent lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 30 of the Complaint.

31. Respondent lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 31 of the Complaint.

INVESTOR C

32. Respondent lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 32 and its subsections (a) and (b) of the Complaint.

33. Respondent lacks knowledge or information sufficient to form a belief as to the truth of the allegation contained in paragraph 33 of the Complaint.

THE FRAUDULENT E-MAILS TO INVESTORS²

34. Respondent respectfully refers the Administrative Law Judge to W2E's SEC filings for a correct and accurate recital of their contents.

35. Respondent lacks knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 35 of the Complaint.

36. Respondent lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 36 of the Complaint.

37. Respondent lacks information sufficient to form a belief as to the truth of the

² Respondent denies any allegations contained in any caption or heading in the Complaint.

allegations set forth in paragraph 37 of the Complaint and does not respond to allegations that purport to state a legal conclusion.

38. Respondent lacks information sufficient to form a belief as to the truth of the allegations set forth in paragraph 38 of the Complaint and does not respond to allegations that purport to state a legal conclusion.

39. Respondent lacks information sufficient to form a belief as to the truth of the allegations set forth in paragraph 39 of the Complaint and does not respond to allegations that purport to state a legal conclusion.

40. Respondent lacks information sufficient to form a belief as to the truth of the allegations set forth in paragraph 40 of the Complaint.

41. Respondent refers the Administrative Law Judge to a copy of the referenced email for a correct and accurate recital of its contents.

42. Respondent lacks knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 42 of the Complaint.

43. Respondent lacks knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 43 of the Complaint.

44. Respondent lacks knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 44 of the Complaint.

VIOLATIONS

1. Respondent denies the allegations set forth in paragraph 1 of the Violations section of the Complaint, and does not respond to allegations which purport to state a legal conclusion.

2. Respondent denies the allegations set forth in paragraph 2 of the Violations section of the Complaint, and does not respond to allegations which purport to state a legal conclusion.

3. Respondent denies the allegations set forth in paragraph 3 of the Violations section of the Complaint, and does not respond to allegations which purport to state a legal conclusion

III.

Respondent denies all allegations in Section III, III(A), (B) and (C) of the Complaint, and does not respond to allegations which purport to state a legal conclusion.

IV.

Respondent does not respond to the recitation of procedures set forth in Section IV of the Complaint.

AFFIRMATIVE DEFENSE

As separate and distinct affirmative defenses to each of the violations alleged in the Order Instituting Administrative and Cease-And-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, and Sections 14(b), 21B and 21C of the Securities Exchange Act of 1934, GL, without conceding that he bears the burden of proof as to any of the following issues, and without waiving any of his constitutional, statutory or common law rights or privileges, and while reserving the right to assert additional or different defenses based upon additional evidence developed in discovery or otherwise alleges as follows:

FIRST AFFIRMATIVE DEFENSE

The tapes referenced in the Order Instituting Administrative and Cease-And-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, and Sections 14(b), 21B and 21C of the Securities Exchange Act of 1934, are inadmissible and may not be used as grounds to set forth a violation upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

The violations set forth in the Order Instituting Administrative and Cease-And-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, and Sections 14(b), 21B and 21C of the Securities Exchange Act of 1934 fails to state a cause of action upon assertions which are barred, in whole or in part, by doctrines of fruits of a poisonous tree, waiver, estoppel, laches and unclean hands.

THIRD AFFIRMATIVE DEFENSE

(Additional Unknown Affirmative Defenses)

Respondent is informed and believes, and alleges, that he currently has insufficient information available upon which to form a belief as to whether he has additional, yet unstated, affirmative defenses available. Respondent reserves the right to assert additional affirmative defenses in the event discovery indicates they would be appropriate.

RESERVATION OF RIGHTS

Respondent reserves his right to amend or supplement this Answer, with all necessary permission, and to make appropriate further submissions up to, through and after the hearing of this matter.

Dated: New York, New York
March 21, 2013

GUSRAE KAPLAN & MUSBUM PLLC

By: _____

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